

REQUEST FOR APPROVAL

To: **Howard Levenson**
Deputy Director, Materials Management and Local Assistance Division

From: **Michelle Martin**
Branch Chief, Financial Resources Management Branch

Request Date: November 3, 2014

Decision Subject: Eligibility Criteria and Evaluation Process for the Used Oil Competitive Grant Program (Used Oil Recycling Fund, FY 2015–16)

Action By: November 18, 2014

Summary of Request:

This memo seeks approval of the proposed eligibility criteria and the evaluation process for the Used Oil Competitive (UOC) Grant Program for fiscal year (FY) 2015–16. The available funding amount is \$2,000,000. Staff will conduct the FY 2015–16 grant cycle using the application review and evaluation process applied in UOC1 FY 2013–14, except as described under *Proposed Changes* and summarized below:

- Include joint powers authorities (JPA) and special districts as eligible applicants
- Decrease minimum and maximum award amounts
- Add project description category to scoring criteria
- Require non-profit organizations to have a letter of support from local jurisdiction

Recommendation:

Staff recommends approval of the proposed eligibility criteria and evaluation process for the UOC Grant Program FY 2015–16.

Deputy Director Action:

On the basis of the information and analysis in this Request for Approval and the findings set out herein, I hereby approve the eligibility criteria and evaluation process for the UOC Grant Program for FY 2015–16.

Dated: _____

Howard Levenson
Deputy Director

Attachment 1: Scoring Criteria for the Used Oil Competitive Grant Program (UOC2) FY 2015–16

Background and Analysis:

Statutory Authority

California Public Resource Code (PRC) section 48632 authorizes the California Department of Resources Recycling and Recovery (CalRecycle) to award used oil-related grants for any of the following purposes:

- Providing and maintaining collection and recycling opportunities for used lubricating oil and filters
- Research, testing, and demonstration projects for in-service uses, collection technologies and end-of-life used oil management
- Developing uses and markets for products resulting from recycling used oil and filters
- Product advancements and developments in lubricating oil
- Education and mitigation projects relating to stormwater pollution from used oil

Program Background

Senate Bill 546 (Lowenthal, 2009) increased fees paid by used oil manufacturers, which has resulted in increased revenues to the Used Oil Recycling Fund. Consequently, CalRecycle allocated, as part of the three-year used oil spending plan approved in September 2013, an amount totaling \$2 million for the FY 2015–16 UOC Grant cycle. CalRecycle also approved allocations for other activities that will support used oil collection, including contract support for Certified Collection Centers and Curbside Collection programs, and additional targeted outreach activities.

The purpose of this grant program is to reduce the potential for illegal disposal by increasing used oil and filter collection, recycling opportunities, public education, source reduction, reuse of used oil, and the prevention of stormwater pollution from used oil. For local government agencies, the UOC Grant Program provides additional funding to augment or expand oil and filter collection and informational programs established by funding they receive from CalRecycle's Oil Payment Program.

The following table summarizes the recent grant awards in the UOC Grant Program.

Fiscal Year	Number of Awards	Amount Awarded
2013–14	27	\$5,476,896

Proposed Process and Eligibility

Staff will conduct an initial review of all applications to confirm applicant eligibility and application completeness. Applications will be evaluated and scored by a review panel of CalRecycle staff, based on the attached Scoring Criteria.

Eligible applicants for this cycle include the following entities:

- California cities and counties
- California joint powers authorities (JPA) and special districts, responsible for solid waste management, sanitation, or stormwater management
- Nonprofit organizations (not including private schools) with the support of a local jurisdiction
- Regional programs (consisting of two or more eligible entities)

Eligible applicants may apply individually or as a participant in a regional application that involves more than one eligible entity. An applicant may not submit multiple applications. One entity must be identified as the lead applicant to act on behalf of itself and its participating applicants.

The focus of the grant cycle is based on a survey of stakeholders conducted in August 2014. Survey results indicated a greater interest in priorities consistent with the focus areas below. All applicants must include one or more of the focus areas in their application to be eligible for this cycle:

- Public education and outreach to inform the public of local used oil and filter recycling opportunities and ways to prevent stormwater pollution caused by used oil
- Implement or expand a used oil and filter collection program (includes, but is not limited to, local facilities, marinas and curbside)
- Mitigation projects preventing used oil stormwater pollution (only available to those entities with an approved stormwater management plan)

Proposed Changes

1) Include JPA's as Eligible Applicants

Joint powers authorities (JPAs) and special districts have been included as eligible applicants for this cycle.

2) Decrease Maximum Grant Award Amounts

Due to a decrease in available funding, the maximum award amounts have been reduced from past cycle. Individual applicants may request up to \$100,000 and regional applicants (e.g., two or more eligible applicants) may request up to \$250,000 for their proposed projects.

3) Revise Scoring Criteria

A project description category has been added to the Scoring Criteria to assess project scope and the point distribution has been adjusted.

4) Revise Non-Profit Requirements

Non-Profit organizations are required to submit a letter of support from their local jurisdiction.

Tentative Timeline for UOC Grant Program (FY 2015–16)

As shown in the table on page 4, staff will post a Notice of Funds Available (NOFA) on CalRecycle's website informing potential applicants of the funding, eligibility requirements, deadlines, and other important information. Notices will be distributed through the Grants Management System database, HHW Information Exchanges and Yahoo Group listserv, outreach presentations, and newsletters.

NOFAs will be sent to current and past Used Oil Payment Program recipients, UOC Grant Program recipients and Used Oil Nonprofit Grant recipients. It will also be shared with CalRecycle's Local Assistance and Market Development staff to inform their local jurisdictions.

Target Date	Activity
Nov/Dec 2014	Post the NOFA, Application, related instructions, and documents on the web site
February 2015	Applications due
March-May 2015	Conduct application evaluation/review process; determine funding for eligible applicants
July 2015	Grant awards presented at CalRecycle Public Meeting
August 2015	Grant agreements distributed and executed
April 2018	Grant term ends